

MULTIMEDIA



UNIVERSITY

STUDENT ID NO

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MULTIMEDIA UNIVERSITY

FINAL EXAMINATION

TRIMESTER 1, 2019/2020

TME 3221 – MARKETING AND E-COMMERCE

(All sections / Groups)

17 October 2019
9.00 a.m. - 11.00 a.m.
(2 Hours)

INSTRUCTIONS TO STUDENTS

1. This Question paper consists of 3 pages excluding the cover page with 5 Questions only.
2. Answer **ALL** questions. All questions carry equal marks and the distribution of the marks for each question is given.

Answer ALL questions.

QUESTION 1 (10 MARKS)

How E-commerce Rules in Southeast Asia

by Pooja Singh Jan 18, 2019

The Internet economy in Southeast Asia “hit an inflection point in 2018,” and is likely to be worth \$240 billion by 2025, which is \$40 billion more than earlier estimates. This rise can be attributed to the world’s most engaged mobile Internet users, and industries like e-commerce, online media, online travel and ride-hailing, which have grown at an unprecedented rate.

All findings are part of the “e-Conomy SEA 2018—Southeast Asia’s Internet Economy Hits an Inflection Point” report by Google, and investment company Temasek, owned by the Singapore government. By June 2018, Indonesia, Malaysia, Philippines, Singapore, Thailand, and Vietnam had over 350 million internet users across in June 2018. To give context: there were 260 million users in 2015, the report informs.

It cites a Hootsuite research which found that Internet users in Thailand spend 4 hours and 56 minutes every day using the phone—more than in any other country. Indonesian, Filipino, and Malaysian users, who spend around 4 hours every day on mobile internet, are also among the top 10 globally in terms of engagement. By comparison, internet users in the UK and in the US spend just over 2 hours per day on mobile internet, while users in France, Germany, and Japan spend 1 hour and 30 minutes.

Smartphones have become a source of information for most Southeast Asians, which explain the spike in the numbers. They use it to access maps, news, personal productivity applications such as emails and spreadsheets, transportation services, and ordering food and clothes. E-commerce companies like Lazada, Shopee, and Amazon well understand the growing needs of the region’s population. Little wonder the e-commerce sector has grown exponentially over the past three years.

“Accounting for just over \$5.5 billion in GMV (gross merchandise volume) in 2015, it has grown more than 4X since then and exceeds \$23 billion in 2018, representing a 62 per cent Compound Annual Growth Rate (CAGR) over the period. On the back of the increased consumer trust in e-commerce demonstrated by Southeast Asian internet users, we have revised our projections and now estimate that the e-commerce sector will exceed \$100 billion by 2025,” states the e-Conomy SEA 2018 report.

It pinpoints that three companies in the region, Lazada, Shopee, and Tokopedia, have played a critical role in the development of the sector. They are estimated to have grown collectively more than seven-fold since 2015, well above the rest of the sector, the report notes. “By offering tens of millions of products, world-class mobile user experiences, frequent consumer promotions, and far-reaching logistics networks, they have been the leading forces behind the dramatic growth of e-commerce in Southeast Asia.”

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As the year progresses, the report predicts, the e-commerce sector will mature, and the basis of competition and key growth drivers will also evolve. "E-commerce players in the region will increasingly aim for leadership in each geographical market, with Indonesia being the primary battleground for both regional and local players. They will also expand from metro cities to second-tier cities and rural areas, where e-commerce penetration is lower and growth prospects are the highest."

Source: <https://www.entrepreneur.com/article/326575>

- a. Based on this article, explain **TWO (2)** reasons why there is a rise in mobile Internet users in Southeast Asia. (2 marks)
- b. Based on this article, how do Lazada, Shopee, and Tokopedia impact the development of the e-commerce sector in Southeast Asia? (3 marks)
- c. In your opinion, how has e-commerce changed the marketing of goods? (5 marks)

QUESTION 2 (10 MARKS)

- a. Describe the basic marketing concepts with an illustration. (4 marks)
- b. The Internet is an important new channel for commerce in a wide range of industries. Explain how does the Internet affect the distribution channel length of a manufacturing company. (3 marks)
- c. A brand includes a name, a symbol or other identifying information. Briefly explain why a brand is important to customers. (3 marks)

QUESTION 3 (10 MARKS)

- a. Illustrate the AIDA model to describe the product adoption process and further explain how it can be used by marketers. (5 marks)
- b. How to engage customers in the online exchange process? (3 marks)
- c. Why real-space data collection is important to an e-marketer? (2 marks)

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QUESTION 4 (10 MARKS)

- a. Briefly explain **THREE (3)** types of pricing strategies marketers can employ both online and offline. (3 marks)
- b. How does CRM-SCM integration change the operation of the Internet companies? (3 marks)
- c. If you are the marketing communications officer of a multinational company, how would you handle the reputation crisis in the social media? (4 marks)

QUESTION 5 (10 MARKS)

- a. If you are the e-marketing officer of a company, suggest **THREE (3)** ways that can be applied to target the online communities. (3 marks)
- b. Copyright is a basic mechanism to protect the digital property. Briefly discuss this mechanism with an example. (3 marks)
- c. The four consumer market segmentation bases are demographics, geographic location, psychographics, and behaviour with respect to the product. How do e-marketers manipulate these **FOUR (4)** main segmentation bases? (4 marks)

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